STATE OF SOUTH CAROLINA  (Caption of Case) Petition of Progress Energy Carolinas, Inc. for an Accounting Order to Defer Demand-Side Management and Energy Efficiency Costs.			) ) BEFORE THE ) PUBLIC SERVICE COMMISSION ) OF SOUTH CAROLINA ) ) COVER SHEET ) ) DOCKET ) NUMBER: 2007 - 431 - E		
(Please type or print	)	)			
Submitted by: John W. Flitter		<u>r</u>	SC Bar Number:		
Address:	1441 Main Street, Ste. 300       F         Cola, SC 29201       C		Telephone:	803 737 0800 803 737 0986	
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			Other: Email: jflitter@regstaff.sc.gov		
be filled out comple	-	DOCKETING INFO	RMATION (Chec	k all that apply	
INDUSTRY (Check one)		NATU	NATURE OF ACTION (Check all that apply)		
		Affidavit	∠ Letter		Request
☐ Electric/Gas		Agreement	Memorandum		Request for Certification
☐ Electric/Telecommunications		Answer	Motion		Request for Investigation
☐ Electric/Water		Appellate Review	Objection		Resale Agreement
☐ Electric/Water/Telecom.		Application	Petition		Resale Amendment
☐ Electric/Water/Sewer		Brief	Petition for Rec	consideration	Reservation Letter
Gas		Certificate	Petition for Rul	lemaking	Response
Railroad		Comments	Petition for Rule	to Show Cause	Response to Discovery
Sewer		Complaint	Petition to Inter	rvene	Return to Petition
☐ Telecommunications		Consent Order	Petition to Interv	ene Out of Time	Stipulation
☐ Transportation		Discovery	Prefiled Testim	ony	Subpoena
☐ Water		Exhibit	Promotion		☐ Tariff
☐ Water/Sewer		Expedited Consideration	Proposed Order	r	Other:
Administrative Matter		Interconnection Agreement	Protest		
Other:		Interconnection Amendmen	t Dublisher's Affi	idavit	
		Late-Filed Exhibit	Report		

P.O. Box 11263 Columbia, S.C. 29211



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JOHN W. FLITTER
DIRECTOR
ELECTRIC & GAS REGULATION

December 6, 2007

## VIA ELECTRONIC-FILING

Charles L.A. Terreni Chief Clerk & Administrator **Public Service Commission of South Carolina** 101 Executive Center Drive Columbia, South Carolina 29210

Re:

Petition of Progress Energy Carolinas, Inc. for an Accounting Order to Defer Demand-

Side Management and Energy Efficiency Costs.

Docket No. 2007-431-E

Dear Mr. Terreni,

This is to inform the Public Service Commission ("Commission") that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing. Based on the information provided, ORS does not have an objection to Progress Energy Carolinas, Inc.'s ("PEC" or "Company") request for an accounting order in this matter.

ORS understands that PEC is requesting approval effective September 1, 2007 for deferred accounting of costs associated with PEC's Energy Efficiency and Demand-Side Management programs. The Company is requesting this deferred accounting treatment until PEC files an Application for approval of a rider to recover reasonable and prudent associated program costs and the Commission rules on the Application.

Thank you for the opportunity to provide our comments in this matter.

Sincerely,

JWF/sh

THIS DOCUMENT IS AN EXACT DUPLICATE, WITH THE EXCEPTION OF THE FORM OF THE SIGNATURE, OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.

cc: Dan F. Arnett, Chief of Staff, SC ORS

Nanette S. Edwards, Chief Counsel and Director of Legal Services, SC ORS

Jeff Nelson, Esquire, SC ORS

Dr. James Spearman, Executive Assistant, SC PSC

Len S. Anthony, Deputy General Counsel - Carolinas, Progress Energy Service Company